STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940

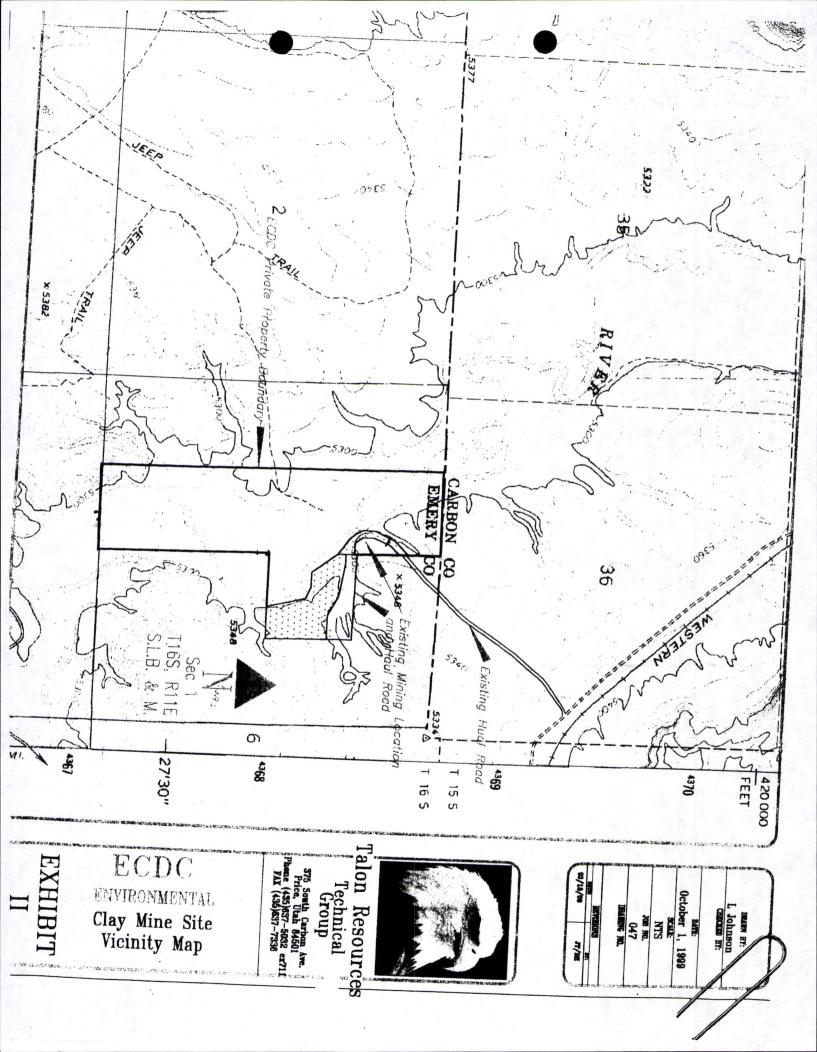
ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

| Gen | neral Information |
|--------|---|
| 1. | Report Time Period: From (mo./yr.) 01/05 To (mo./yr.) 12/05 |
| 2. | DOGM File Number (Mine No): M/50062 |
| 3. | Mine Name: ECDC CLAY MINE |
| 4. | Mineral(s) Mined (or permitted to mine): |
| 5. | Type of mine: Surface Mine or Underground Mine |
| 6. | Legal Description (Location of Lands Affected): SEF ATTACHED MAP |
| | 1/4,1/4, Section, Township, Range |
| | 1/4,1/4,1/4, Section, Township Range |
| | 1/4,1/4,1/4, Section . Township Range |
| 7. | Name of Operator or Company: ECD C ENVIRONMENTAL |
| 8. | Permanent Street Address: //// WEST HIBHWAY 12.3 |
| | City, State, Zip: EAST CARRON ISTAH DAGON |
| | Phone: 435-888-4418 Fax: 435-888-0407E-mail: DOLSOND AWIN COT |
| 9. | Company Representative (or designated operator). |
| | Name: DARIN OLSON |
| | Title: ENVIRONMENTAL MANAUER |
| | Business Address: SAME AS ABOVE |
| | City, State, Zip: |
| | Phone: Fax: E-mail: |
| | Please check if any of the above information has changed since previous year. |
| Minin; | g and Reclamation |
| 1. | Was there any mine related activity during the past year? Yes □ No |
| 2. | If no - what was the last year of activity and an analysis of the past year? |
| | If no - what was the last year of activity? |
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| 1 | DIV OF OIL GAS & MINING |

| 3. | Report the gross amount of ore mined and waste moved, as well as the arrangement, positioning, or distribution of the material. |
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| 4. | Briefly describe the type of work performed, during the past year. NONE |
| | |
| 5. | How much new or additional acreage was disturbed during the past year? NONE |
| 6. | How much acreage was reclaimed during the past year? |
| 7. | Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results. (Submit form MR-SITE for an application for full or partial bond/site release). |
| | |
| | |
| 8. | What is the total disturbed acreage of entire project at years end? Approx 22 K |
| 9. | What is the total disturbed acreage of entire project at years end? Approx. 22 K Briefly summarize any mining and/or reclamation plans for the upcoming year. Approximately 45,000 Cy of CLAY will have by off Size BELLINING WINTER 200 |
| 9. | Briefly summarize any mining and/or reclamation plans for the upcoming year. APPROXIMATELY 45,000 CY OF CLAY WILLED OFF SITE BELLINVING WINTER 2001 NO MINING OR RECLAMATION IS PLANED. |
| 9. 10. | Briefly summarize any mining and/or reclamation plans for the upcoming year. APPROXIMATELY 45,000 CY OF CLAY WILLED OFF SITE BELLINING WINTER 200 VO MINING OR RECLAMATION IS PLANED. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request. |
| 9. 10. | Briefly summarize any mining and/or reclamation plans for the upcoming year. APPROXIMATELY 45,000 CY OF CLAY WILLED OFF SITE BELLINING WINTER 200 VO MINING OR RECLAMATION IS PLANED. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request. |
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| 9. 10. NOTE: Sectional 1. V. Signature F | Briefly summarize any mining and/or reclamation plans for the upcoming year. ASTROXIMATELY AS,000 CY OF CLAY WILLED OFF SITE BELLINING WINTER 2000 WO MINING OR RECLAMATION IS PLANED. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request. In III., "Additional Information" applies only to large mining operations. Information - R647-4-121.2 Include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105. Requirement |
| 9. 10. NOTE: Section II. Additional 1. V. Signature K I hereb | Briefly summarize any mining and/or reclamation plans for the upcoming year. APPROXIMATELY 45,000 CY OF CLAY WILLED OFF SITE BELLINWING WINTER 200 WO MINING OR RECLAMATION IS PLANED. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request. In III., "Additional Information" applies only to large mining operations. Information - R647-4-121.2 Include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105. Requirement On certify that the foregoing is true and correct. |
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January 30, 2006

Susan M. White, Mine Program Coordinator Department of Natural Resources Division of Oil, Gas & Mining 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84114-5801

Re: ECDC Clay Mine (M/015/062) Annual Report for year 2005

Dear Mrs. White:

As per State rule: R647-3-116 and R647-4-121, please find enclosed the annual report for the referenced mine. Also included is a site vicinity map. This map shows the location of the clay mine and includes a legal description.

The mine is currently active, however no mining activity has taken place since summer of 2000. Currently there is approximately 45,000 CY of clay in a stockpile. The majority of this stockpile will be hauled off site beginning winter of 2006.

No reclamation has been completed during the reporting period. If you have any questions of need additional information please call me at $435-888-4418 \times 22$.

Sincerely,

Darin Olson

ECDC Environmental Manager

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